

ORDINANCE NO. 023-126

AN ORDINANCE AUTHORIZING  
AWARD OF A CONTRACT TO CIGNA  
HEALTH AND LIFE INSURANCE  
COMPANY FOR THE  
ADMINISTRATION OF A PREFERRED  
PROVIDER ORGANIZATION (PPO)  
HEALTHCARE PROGRAM

WHEREAS, The Chicago Transit Authority ("Authority") offers a Preferred Provider Organization (PPO) healthcare program to its full-time union and non-union employees and their dependents; and

WHEREAS, The Authority is self-insured for healthcare claim expenditures but requires a firm to administer its PPO healthcare program, and the current contract for administration of the program ends December 31, 2023; and

WHEREAS, The Authority, through public advertisement under Requisition No. B23OP03427, sought proposals from qualified firms to administer the PPO healthcare program, including mental health and substance abuse services, an Employee Assistance Program, utilization management and case management services, and disease management services; and

WHEREAS, Cigna Health and Life Insurance Company's proposal was determined to be the most advantageous to the Authority; and

WHEREAS, Staff recommends a contract award to Cigna Health and Life Insurance Company for a term of three (3) years with two (2) funded one-year options for a total amount of Twenty-One Million Dollars (\$21,000,000.00); now, therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD  
OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1. The Chairman of the Chicago Transit Board, the President of the Authority, and the Vice President of Purchasing and Supply Chain, or their designees, are hereby authorized to execute a contract with Cigna Health and Life Insurance Company for the administration of the Authority's PPO healthcare program beginning January 1, 2024 for a term of three (3) years with two (2) funded one-year options for a total amount not to exceed Twenty-One Million Dollars (\$21,000,000.00).

SECTION 2. The Chairman, President, and Vice President of Purchasing and Supply Chain, or their designees, are further authorized to take such actions and execute such documents as may be necessary to implement the objectives of this ordinance.

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SECTION 3. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

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Chairman

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Secretary

October 13, 2023

October 13, 2023